



Thank you Mr. Chairman and members of the committee for the opportunity to testify today. My name is Daniel Davis and I am President and CEO of the JAX Chamber, the business membership organization with 3,000 members in Northeast Florida.

As Hurricane Irma threatened our state earlier this month, about 7 million people were ordered to evacuate. This is the largest evacuation in United States history. Many families returned to find their homes, businesses and livelihoods destroyed. Cities and counties across our great state are all now facing their own unique challenges.

In Jacksonville, normally our coastal communities are the areas most threatened by hurricanes and tropical storms. And while those areas were definitely hit, the storm surge and flooding from Irma battered our downtown and other historic neighborhoods along the St. Johns River and its tributaries. On the day of the storm, 365 people were rescued from rising flood waters. We have never seen flooding like this.

I want to quickly commend our local and state leaders for their planning and strategic response to get our city and state back to business. Jacksonville Mayor Lenny Curry and Florida Gov. Rick Scott have been tremendous leaders in a time of crisis. I know our Congressional delegation has been very active in the recovery efforts. I'd like to thank Sen. Rubio who invited us to speak here today and spent time surveying damage in Jacksonville and across Florida last week.

In surrounding counties, houses along Black Creek in Clay County saw several feet of flooding. The narrow stone streets of historic St. Augustine were under water. Coastal communities in St. Johns and Flagler counties, still rebuilding from Hurricane Matthew less than a year ago, are now rebuilding again.

One of the largest office buildings in Downtown Jacksonville, a 35-story high-rise and a fixture in any picture of our skyline, had massive flooding and remains closed. The resiliency we've seen and the willingness of business leaders to offer space, power and Internet access -- even to direct competitors -- is indicative of our strength as a business community.

The overwhelming majority of businesses are back and have been since the days following Hurricane Irma. Make no mistake: **Florida is open for business.** But we cannot leave behind the businesses in dire need of the disaster relief and assistance the SBA has set aside funding for. These are high-end restaurants. Award-winning ad agencies. Established local law firms.

Federal assistance is going to be critical for many businesses. Our partners in more rural counties report that a recovery center has yet to even open in Putnam County, for example, where there was significant damage. With historic storms like Hurricane Irma, there will be tremendous needs and, overall, the federal small business response has been strong.



There is, however, room for improvement in collaborating with the local business and community leaders who are on the ground and in contact with business owners. Recovery efforts can't be led from

Washington. They need to be led locally, from Middleburg and Fernandina Beach; from Cape Coral and Fort Myers. Let us tell you where the needs are, so, together, we can rebuild our thriving local economies.

One idea from small businesses is to have designated buildings that can quickly be converted to co-working spaces for companies who are displaced. With some Downtown Jacksonville businesses displaced, employees are working remotely elsewhere, which hurts downtown restaurants and service businesses that depend on the foot traffic from nearby workers.

There is also a real concern from small business owners about being penalized for applying for SBA loans. For example, if a business is approved for an SBA disaster loan, the amount of the loan approval is then deducted from the company's eligibility if grants are made available. This is true even if the company does not accept the loan. This forces businesses in recovery mode to either risk future assistance or roll the dice and wait. Instead, companies should be encouraged to look at every option and choose which is best to get up and running again.

Many businesses are not looking for traditional, longer-term SBA loans right now. In these times of disaster, businesses need smaller amounts and a quicker infusion of dollars. These are what can be used to clean up. To open the doors again. To meet payroll in the near term. One major concern for companies now is, in their biggest time of need, they have less collateral for a loan.

Remember, with these unprecedented evacuations, our businesses lost revenue well before the storm hit. Companies knew employees would need time to prepare for the storm and a vast majority made the decision in advance to close Friday and Monday. Because of widespread power outages, most didn't open again until Wednesday – meaning at least three business days were lost. These companies have been meeting payroll, despite a significant drop in business. For Peters and Yaffee, a civil engineering firm with 15 employees, they are looking at more than \$40,000 in lost hours and additional expenses to pay overtime in the crunch to meet client deadlines that remain unchanged.

These are real and significant challenges that small businesses across Florida are facing and these are the types of expenses that federal disaster assistance should be used for. Thank you again for the opportunity to testify and discuss small business recovery in Florida. We have a resilient entrepreneurial spirit and I am here to tell you we will come back from Hurricane Irma stronger than ever.